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August 16, 2017

Honorable Richard J. Sullivan  
United States District Court Judge  
Thurgood Marshall United States Courthouse  
Southern District of New York  
40 Foley Square – Room 2104  
New York, New York 10007

Re: Ethan Murphy et al. v. Philippe Lajaunie, et al.  
Index No. 13-cv-06503 (RJS)

Honorable Sir:

I represent the Defendant-Debtor 15 John Corp. I write this letter to update the Court on the status of the proceedings in the Bankruptcy Court. By Order dated August 4, 2017 (**Exhibit A**), the Bankruptcy Court denied the Debtor's Motion to Assume the Lease over its restaurant operation located at 15 John Street. By Order to Show Cause dated August 8, 2017 (**Exhibit B**), Bankruptcy Judge Wiles ordered that the Disclosure Statement process before the District Court originally ordered by Judge Wiles was moot in light the Debtor's failure to retain its leased premises and directed a status conference be held on August 16, 2017, *inter alia* on the issue of whether to convert this Chapter 11 case to a Chapter 7 case.

On August 11, 2017, the Debtor wrote a letter to Judge Wiles (**Exhibit C**) requesting an adjournment of the August 16, 2017 hearing based upon the Debtor's belief that the Debtor would be able to obtain a different space under a lease which would permit the Debtor to proceed with the Plan and that the Debtor needed some more time to negotiate and finalize such a lease. Judge Wiles' chambers re-scheduled the status conference to August 29, 2017 at 11:00 a.m.

Honorable Robert J. Sullivan  
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August 16, 2017

As noted in that last letter, the Debtor expects the Chapter 11 case will continue after these issues are resolved.

Respectfully submitted,

/s/ Leo Fox

Leo Fox

LF:cb  
Enclosure

cc: (by email)  
Honorable Sarah Netburn  
Maimon Kirshenbaum, Esq.  
Denise Schulman, Esq.  
Jeffrey Goldman, Esq.  
Lawrence Morrison, Esq.  
Michael Devorkin, Esq.  
Jonathan Flaxer, Esq.  
Philippe Lajaunie

# ***EXHIBIT A***

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

IN RE:	:	Chapter 11
15 JOHN CORP,	:	Case No.: 16-12453
Debtor.	:	

ORDER DENYING DEBTOR'S MOTION TO ASSUME LEASE

A motion having come on to be heard before the undersigned on the 26th day of July 2017 and this court having held an evidentiary hearing with regard to the subject matter of the motion on July 28th 2017 and due deliberation having been had thereon, it is

NOW upon motion of The Flaum Law Firm, P.C., Attorney for Mott & Prince Management, Inc. Agent for Thomas Tsung as Landlord of the Debtor's premises

ORDERED that the Debtor's motion to assume the lease of the premises known as 15 John Street, New York, NY (Document #84) be and it hereby is in all respects denied and it is further

ORDERED that the lease is deemed rejected pursuant to 11 USC Section 365 (d) (4) and that the debtor shall forthwith vacate and surrender the premises to the landlord provided, however, that such vacatur and surrender shall take place on or before August 7th 2017 at 5pm.

Dated: New York, New York  
August 4, 2017

s/Michael E. Wiles  
UNITED STATES BANKRUPTCY JUDGE

# ***EXHIBIT B***

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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**IN RE:**

**15 JOHN CORP,**

**Debtor.**

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**Chapter 11**

**Case No.: 16-12453**

**ORDER DENYING MOTION FOR APPROVAL OF DISCLOSURE STATEMENT AS  
MOOT, AND ORDERING DEBTOR TO SHOW CAUSE AS TO WHY THE CASE  
SHOULD NOT BE CONVERTED TO A CASE UNDER CHAPTER 7**

On May 8, 2017 Debtor 15 John Corp. filed a proposed Disclosure Statement, a proposed Chapter 11 Plan and a motion seeking conditional approval of the proposed Disclosure Statement [Docket Nos. 90, 91 and 92]. Proposed amendments to the Plan and Disclosure Statement were filed on June 8, 2017 [Docket Nos. 108-112], along with a motion to approve the amended Disclosure Statement [Docket No. 113]. The Plan and Disclosure Statement, as amended, contemplated that the Debtor would continue to operate a restaurant at leased space at 15 John Street in New York City. It also contemplated that Mr. Lajaunie would contribute funds and that releases would be provided in favor of Mr. Lajaunie from certain claims, including certain class action claims currently pending against Mr. Lajaunie in the United States District Court for the Southern District of New York.

By order dated June 12, 2017, this Court ordered that further modifications to the Disclosure Statement be made, and also directed the Debtor and Mr. Lajaunie to make an appropriate application to the United States District Court for permission to proceed with the Plan and Disclosure Statement insofar as they sought to use proceedings in this Court to resolve,

as to Mr. Lajaunie personally, class action claims that are currently pending in the District Court. The Debtor has sought such permission from the District Court but a ruling has not been entered.

On July 28, 2017, this Court held an evidentiary hearing with regard to the Debtor's motion for permission to assume the lease with respect to the space at 15 John Street. At the conclusion of that hearing the Court denied the Debtor's motion. The landlord did not consent to a further extension of the statutory deadline for assumption or rejection of the lease, and the Court entered an Order on August 4, 2017 that deemed the lease to have been rejected pursuant to Section 365(d)(4) of the Bankruptcy Code and that required the Debtor to surrender the leased space.

Since the Debtor has been required to surrender the leased space at 15 John Street, the pending motion for approval of a disclosure statement (which contemplated continued operations at the leased space) is moot. In light of the foregoing,

**IT IS HEREBY ORDERED:**

1. The motion for approval of the disclosure statement [Docket No. 113] is denied as moot. Since the Disclosure Statement and proposed Plan are moot, the Court's prior Order, directing the Debtor and Mr. Lajaunie to seek permission from the District Court to pursue certain terms of that proposed Plan and Disclosure Statement, is also moot.

2. A status conference is hereby scheduled for August 16, 2017, at 10:00 am, at which time the Debtor shall explain how it wishes to proceed and at which time the Debtor shall show cause as to why this chapter 11 case should not be converted to a case under chapter 7 of the Bankruptcy Code.

Dated: August 8, 2017  
New York, NY

s/Michael E. Wiles  
Honorable Michael E. Wiles  
United States Bankruptcy Judge

# ***EXHIBIT C***



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August 11, 2017

Honorable Michael E. Wiles  
United States Bankruptcy Judge  
United States Bankruptcy Court  
One Bowling Green  
New York, New York 10004-1408

Re: 15 John Corp.  
Case No. 16-12453 (MEW)

Dear Sir:

The Debtor has requested an adjournment of the hearings scheduled by Order of this Court for August 16, 2017 for one (1) week to August 23, 2017 for the following reasons.

The Debtor believes that the Debtor can negotiate and enter into a new lease with a new landlord and start its business with little or no working capital and be in a position to fund a Chapter 11 Plan to the Debtor's creditors. The Debtor has requested the one (1) week extension to permit the Debtor to proceed along these lines.

Very truly yours,

/s/ Leo Fox  
Leo Fox

LF:cb